

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

November 29, 2011

Craig Miles 21 West Vista Drive Morgan, Utah 84050

Subject:

Reclamation Surety Required, Earth's Elements, Inc., Earth's Elements Evaporation Pond, S/003/0086, Box Elder County, Utah

Dear Mr. Miles:

The Division of Oil, Gas and Mining has reviewed the referenced Notice of Intention to Commence Small Mining Operations (NOI), received August 16, 2011. Prior to final approval, please make the following correction in the NOI and submit the reclamation surety and reclamation contract.

Page 3 of 7 of the NOI incorrectly identifies Earth's Elements as the mineral owner. The Division of Forestry Fire and State Lands is the mineral owner, and Earth's Elements is the lessee.

The reclamation surety has been calculated for this site to be \$7,900 or \$8,200, depending on whether you want a 3-year or 5-year escalation period. This amount was calculated as follows:

| 3-year escalation (2014) | | | |
|------------------------------------|-----|------------|-------------------|
| Item | Qty | Unit Cost | Total Cost |
| 1st Acre Disturbance | 1 | \$7,900.00 | \$7,900.00 |
| Add'l Acres Disturbance | | \$4,700.00 | \$0.00 |
| Add'I equipment mob (over 5 acre) | | \$3,000.00 | \$0.00 |
| TOTAL | | | \$7,900.00 |
| 5-year escalation (2016) | | | |
| Item | Qty | Unit Cost | Total Cost |
| 1st Acre Disturbance | 1 | \$8,200.00 | \$8,200.00 |
| Add'l Acres Disturbance | | \$4,900.00 | \$0.00 |
| Add'l equipment mob (over 5 acres) | | \$3,000.00 | \$0.00 |
| TOTAL | | | \$8,200.00 |

Notes:

This is a salt (brine) evaporation pond system where the total area is less than three acres. Reclamation will involve removal of one shed (office) and removal/regrading of the dikes and roads (less than one acre).

The pond system will not require any regrading. Therefore the bond calculation reflects only the area that will require reclamation.



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Please submit the reclamation surety and reclamation contract within the next 30 days. No mining related disturbance may be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at (801) 538-5291 or by e-mail at bondcoordinator@utah.gov for assistance in completing this requirement.

Please contact me at 801-538-5261 or Lynn Kunzler at 801-538-5310 if you have any questions regarding this letter. In reply please refer to file number S/003/0086.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB:lk:eb

cc: Rachael Brown, FFSL